

Bonita paradise

Yacht club & eco beach resort

!Envoronmentally Friendly!



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I. INTRODUCTION TO BUSSINESS PLAN & REQUEST FOR FUNDS

a. Introduction

The Bonita Paradise Yacht Club & Eco Beach Resort Requests an aggregated \$171,786,302 to design and develop a very unique aesthetically beautiful community around a 500 boat slip inland marina. The property has a natural inlet river that will be dredged to create the marina and green power energy will be utilized throughout the Project. At a time when World consciousness is focused on the environment, the high cost of fossil fuel energy both in dollars, environmental erosion and a unhealthy dependence on foreign oil suppliers, a new approach is long overdue.

A brief over view of the projects priorities are a follows:

- An energy hybrid platform that combines win, solar, water and fuel cell technology to power the entire Project, with existing grid power as a back up source Only. The goal being completely clean, reliable and inexpensive energy. We also Intend. To backfill the local utility energy grid to further reduce energy costs when the Project produces an energy surplus.
- There will be a Commercial Village large enough support any and all of the development. The support required to Guild the hotel, the marins, hundreds of residences, etc, as well as eco correct advancements, will create many sustainable Jobs, and a self contained community in the process.
- The commercial Village will include a broad array of services to the entire community. A helicopter pad has been provided in the project design for immediate response requiring transport to surrounding hospitals, as well as executive commute services to homeowners and visitors.
- All construction will incorporate handicapped accessibility features, including wider doors and hallways as well as handrails and wheelchair ramps where applicable.
- Advances Water Filtration System and SmartHome Technology for each residence, Internet connectivity will also be provided throughout the project so owners and workers can work at home, thereby reducing expenses and dependence on fossil fuels.
- The hotel planned for the property as well as the commercial village will provide many new sustainable jobs for the region.



b. Area Synopsis

- On the central Pacific coast of Costa Rica is one of the country's most beautiful incut gems, Dominical. From its turquoise green water to its fiery red and gold sunsets the natural beauty area is second to none. The town sits on the Pacific ocean bordered to the north by the Rio Baru, on the east by three thousands foot high can be found while swimming in the water, the town simply disappears. All you see are the tall beach palms and mangroves surrounded by verdant green hills reaching up into the mountains.
- Dominical is a bird watching, ecotourism Mecca. The forest area is deeply forested. A large amount of the forests are secondary growth, meaning, it has been cut down at least once and has re grown. There is also some wildlife management.
- Dominical has been know for many years to the international surfing community because of its consistently good waves. Discovered in the early seventies by a group in intrepid and dedicated surfers, Dominical has steadily gained in popularity over the last 30 years. The town has become a haven for surfers with local restaurants.
- The unusual conditions of the beach is what gives its surf both size and dependability. The wave is a beach break with deposits sediments that form into a sandbar that spreads like a pair of lazy rabbit ears north and south of the mouth.
- Only recently has it been discovered by those people attracted to its natural beauty. Nor more than fifteen years ago the only buildings to be found were a few dilapidated fishing huts built by local fishermen. Since then the town has grown to over 700 permanent residents with a number of small beach front restaurants, bars and cabins even with the emergence and growth of the town, it is possible to walk from one end of Dominical to the other less than ten minutes.
- The area surrounding Dominical, especially to the south, is almost completely unpopulated. Because of this, the area is full of hundreds of different species of exotic animals including: three different types of toucans, giant green and red iguanas, all four types of native monkeys, parrots of all sizes and hues, three toed sloths and various small cats such as jaguarundis and montegordos.
- There are two national preserves in the immediate area with three more (Manuel Antonio National Park, Corcovado national Park and Cano Island National Preserve) only an additional hour and a half away. To the south is the country's only totally underwater national park, Marino Ballena. Here it is possible to see a pristine and virgin underwater world with scores of multi-colorful marine creatures, coral reefs and jagged, ash black, volcanic rocks and tide pools. In the hills directly east of town.
- Reaching Dominical and the surrounding area is easier one might expect. It is a three and a half hour drive from San Jose by car through some of the most visually stunning scenery in the entire country. Traveling south down the Pan American Highway below Cartago takes you through the country's largest cloud forest and the world's last change in San Isidro.

Dominical/Osa Peninsula



ENTITY STRUCTURING

TAX PLANNING

END USER FINANCING

PROJECTS FEASIBILITY
ANALYSIS

CORPORATE INVESTMENTS
MANAGEMENT

ING. MAURY ROQUE
President/ Treasurer
Propiedades Naguapate,
P.N.,S.A.

MARIA GONZALEZ
VP/SECRETARY
Propiedades Naguapate
P.N., S.A.

PROJECT ACCOUNTING
& AUDIT

A Top 4 US
Accounting Firm &
Paymaster

Julio Berrocal
Chief Project
Administrator

Bids Analysis

Vendor Selection

Supplies Ordering

Sales Infrastructure

Marketing Efforts

Internet Efforts

LAND ACQUISITION ENTITY

ANY
\$ 18.500.000,00

49%

CONTRACTING & DEVELOPMENT

PROPIEDADES
NAGUAPATE, P.N., S.A

51%

49%

51%

A HOLDING COMPANY

100%
ONE FOR ALL, INC.

ANY + PROPIEDADES
NAGUAPATE, P.N., S.A.

LAND ACQUISITION ENTITY

ANY
\$ 12.000.000,00

32%

CONTRACTING & DEVELOPMENT

PROPIEDADES
NAGUAPATE, P.N., S.A

68%

A HOLDING COMPANY

100%
ONE FOR ALL, INC.

ANY + PROPIEDADES
NAGUAPATE, P.N., S.A.
(32% + 68%)

III. HUMANITARIAN DESCRIPTION

a. Current Economic Profile

Remedy:

A project this size and quality in an area that is just at the beginning of a major growth phase, has the ability to make a huge and sustainable impact, both directly, and indirectly, on the country and its people. Hundreds of jobs will have been created just to build, supply & maintain the project. Hundreds of jobs will be needed to support the ongoing power generation efforts, grounds, and clubhouse staff and marina, hotel and commercial.

These will be permanent, non-transient positions that will contribute to the overall well-being of Costa Ricans but also in the lifestyle possibilities of those who live in the project, which will be unparalleled anywhere in the world in our opinion.

Revitalize enthusiasm: Page 10

Things being as they are, one cannot expect an enthusiastic climate when incomes are falling, inequality is increasing, social income is declining, and basic health services, security, and roads are deteriorating, while, on the verge of a paroxysm, there is vigorous growth in GDP and exports, and important gains in the financial sector. There is a new and buoyant economy but it does not have meaningful production, social and fiscal linkages: this translates into meager results for the people.

Remedy

Everyone of these needs is being addressed with the Bonita Paradise project. We will serve the needs of the community by creating jobs, and improving access to important/emergency services, closing any remaining exclusion gap that may have existed. Many, many jobs will have been needed to both build, and sustain the ongoing needs of the community and its.

In summation, when you improve both infrastructure and good things will happen especially when it comes at no cost to the government, and millions are flowing into its economy.

The following is a summary of a report entitled, "TWELFTH STATE, OF THE, NATION REPORT ON SUSTAINABLE HUMAN DEVELOPMENT(2005), taken from the website of the Estado de la Nación. The full report can be viewed by clicking on the following link: http://www.estadonacion.or.cr/Info2006/Ponencias/Twelfth_State_NationReport_SUMMARY.pdf

This document has been reviewed by us, and forms the basis, at least partially, of our understanding of the forces at work in Costa Rica, and how we will contribute in a major way towards resolution of these challenges. Even early in the document, one of the major themes throughout was revealed, and sheds light on the real basic need of the country... jobs!

In addition, one of the developing partners is a Costa Rican citizen, born and raised in the country and has extensive first-hand knowledge of the area, its needs, political and economic as well as its history.



The following excerpts represent the underlying theme of the entire report:

An era of shortfalls and citizen discontent

As affirmed in the Tenth Report, the last decade was not a time of stagnation, nor was it another “lost decade.” However, viewed strategically it was a time of shortfalls stemming from a weakened position caused by the debt crisis of the 1980s. The new economy is very dynamic but it has weak linkages. The absence of development policies to stimulate the production activities of most of the country’s enterprises (micro, small, medium-sized) has been singled out as one of most serious shortcomings of the actions taken to foster a style of economic growth in Costa Rica that produces wellbeing for its citizens. Development policies focused primarily on sectors of the new economy, had weak social linkages (generating few job opportunities), weak production linkages (importing their inputs, making limited domestic purchases, and sending their profits in payment for external factors), and weak fiscal linkages (paying little or absolutely no taxes). Some notable exceptions include ecological tourism and certain nontraditional agricultural exports.

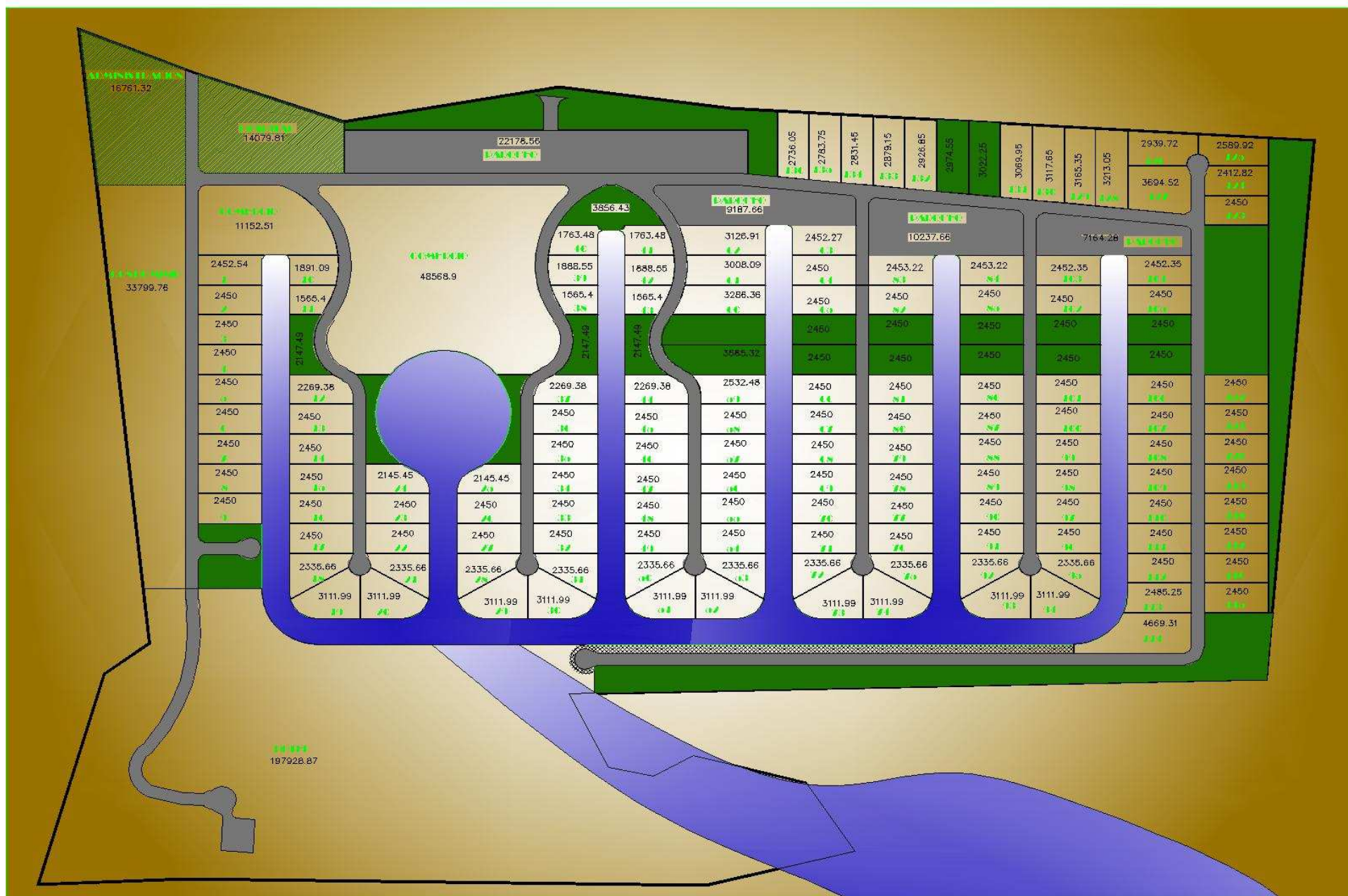
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CONSTRUCTION COSTS BY PHASES IN USD

1 PHASE 1: LAND ACQUISITION			
COST FOR LAND ACQUISITION	1.030.000,00 M2 X \$36.00	37,080,000.00	
TOTAL OF COST IN STAGE 1 FOR LAND ACQUISITION			37,080,000.00
2 PHASE 2: INFRASTRUCTURE			
COSTANERA FRONTAGE UPGRADING:	GLOBAL	405,000.00	
INTERNAL STREETS	5 KMS X \$900.000,00	4,500,000.00	
STREETS WITH PAVERS INSIDE TOWN	1.45 KMS X \$900.000,00	1,305,000.00	
800 PARKING SPACES	800 X 14M2 X \$180,00	2,016,000.00	
CANALS LAND MOVEMENTS	GLOBAL	2,250,000.00	
MARINA IN TOWN CONSTRUCTION	GLOBAL	1,800,000.00	
JETTY BREAKWATER	GLOBAL	1,620,000.00	
SUB TOTAL INFRASTRUCTURE COST		13,896,000.00	
COST FOR SOLAR ENERGY	7% of infrastructure cost	972,720.00	
MANAGEMENT COST	2% of infrastructure cost	277,920.00	
CONTINGENCIES	5% of infrastructure cost	694,800.00	
TOTAL OF COST IN STAGE 1 FOR INFRASTRUCTURE			15,841,440.00
3 PHASE3: BUILDINGS, RESIDENCIAL AREA, CANALS AND TOWN COMMERCIAL AREA			
COMMERCIAL AREA OF THE "PUEBLITO"	13.500M2 X \$630.00	8,505,000.00	
APARTMENTS TYPE 1	192 UNITS X 70M2 X \$855.00	11,491,200.00	
APARTMENTS TYPE 2	300 UNITS X 90M2 X \$855.00	23,085,000.00	
TOWN HOMES	186 UNITS X 160M2 X \$810.00	24,105,600.00	
SUB TOTAL		67,186,800.00	
COST FOR SOLAR ENERGY	7%	4,703,076.00	
MANAGEMENT COST	5%	3,594,493.00	
CONTINGENCIES	10%	7,188,987.00	
TOTAL OF COST IN STAGE 3			82,673,356.00
4 PHASE 4: RESIDENCES/VILLAS			
VILLAS	101 UNITS X 220M2 X \$810,00	17,998,200.00	
COST FOR SOLAR ENERGY	7%	1,259,874.00	
MANAGEMENT COST	5%	962,903.00	
CONTINGENCIES	5%	962,903.00	
TOTAL OF COST IN STAGE 4			21,183,880.00
SUB TOTAL COSTS OF PHASES 2,3 & 4			119,698,676.00
FEDERATED COLLEGE OF ARCHITECTS FEES: SUMMARY			
By law, the Federated College has minimum fees for different services for the project and construction			
THESE FEES INCLUDE: Preliminary studies and analysis 0.50%, Pre-project 1.00%,			
Constructive Blueprints 4.00%, Engineering 3.00%, total 8.50%.			
TOTAL PROJECT COST			129,873,063.00

BONITA PARADISE

Yacht club & Eco Beach Resort

SALES PROJECTIONS

1	250 BOAT SLIPS	\$20.000/PER	5,000,000.00
2	TOWN CENTER	13.500 M2 COMMERCIAL	72,500,000.00
3	CONDO'S (smaller) - 192	\$250.000 avg price	48,000,000.00
4	CONDO'S (larger) - 300	\$500.000 avg price	150,000,000.00
		Conservative revenue	
5	CONDO'S APT'S/TIME SHARE - 186	estimate	94,280,000.00
6	PRIVATE VILLA HOMES WITH POOLS - 101	\$750.000 avg price	75,750,000.00
7	ONE HOTEL SITE 400 ROOMS	GLOBAL	17,000,000.00
8	HOSPITAL SITE	GLOBAL	3,000,000.00
9	MARINA\, CLUB HOUSE & BEACH RESORT	GLOBAL	3,000,000.00

GREAT TOTAL	468,530,000.00
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FOOT NOTES:

1. Boat slips will also have ongoing rental/service fees and represent ongoing revenue not accounted for here.
2. The sales figures for the commercial zone are based upon sale, as opposed to lease up. We will likely sell the units and carry the financing to maintain control over lessees, as will as charge ground leases for additional revenue.

3,4 Prices for quality construction in Costa Rica are climbing rapidly. The larger condo are the towers right along the beach, and will likely command much higher prices, especially for the penthouses, which we expect to sell in excess of \$1.000.000. Most if not all of the units will have ocean and/or marina view.

7,8,9 Here we have many options. The figures above represent the selling price of the land for a hotel. We will likely build the hotel and sell a portion of it at a much higher price than illustrated here, and enter into a management agreement with a reputable hotel operator, whereby we retain a healthy portion of the ongoing revenue form all activities/sources

IV. MAJOR ELEMENTS

Discover Costa Rica – The right Climate for investment. *Introduction*

- Costa Rica is a unique country. It is both beautiful to visit and truly enjoyable to live in. Many call it, "the Switzerland of the Americas", due to its neutral political status and its spectacular mountains that remind one of Switzerland. It is one of the oldest democracies in the Americas and abolished its Army over 50 years ago, choosing instead to invest in education and health services for its people.
- After 50 years, the results are there for everyone to see and enjoy. Costa Rica has the second highest literacy rate per capita in the world and a lower infant mortality rate than the United States. Costa Ricans enjoy full political and social stability and are fiercely proud of the peace and prosperity that Costa Rica has achieved. It is a country that prides itself on having more teachers than police officers, and where on Election Day, the polling stations are handled by schoolchildren in many places instead of the armed soldiers one finds in other countries. Whereas most people have associated Central America with turmoil and war, the people in Costa Rica have always enjoyed a happy and peaceful existence.
- Costa Rica has a population of approximately 4.3 million and about 1 % of that is the 35,000 North American citizens that have made Costa Rica their home, attracted by a quality of life, which is among the highest in the Western Hemisphere. These residents know what many visitors are now discovering-, that Costa Rica is a great and very safe place to live, whether one resides here full time or a few months out of the year. Costa Rica's medical care is among the best in the world. In a recent survey study of health systems around the world, Costa Rica was ranked just above the United States! New hospitals, such as the Cima-San José Medical Complex in Escazú, San José are equipped with state-of-the-art medical equipment and worldclass specialists. Many North Americans come here for dental services, plastic surgery and even for heart surgery, as the quality is comparable to North American health care but at prices that are 50% - 70% less. See also: <http://www.cinde.org/eng-calidaddevida.shtml> & <http://visitcostarica.com/lct/paginas/home.asp>
- The newly elected President, Oscar Arias strongly supports tourism and foreign investment and is presently working on several important improvements to the infrastructure of roads, bridges and ports. The country takes advantage of an almost perfect tropical climate. Because of its mountains, there are in fact, five different climatic zones. The Central Plateau Valley, due to its altitude, offers a perpetual spring, where the thermometer is almost always between 76 and 95 degrees Fahrenheit, depending on the season. Costa Rica has two seasons: the Dry or Summer season which runs from late November to May and the Green (Wet) season which usually starts late May or early June and runs to November.
- This Green season offers sunny mornings, rainy afternoons and cool nights. During the month of July there is usually a type of Indian summer that brings with it gorgeous sunny dry weather. Costa Rica offers a real paradise for the natural and outdoors enthusiast, as well as for the sport fishing and water sports fanatic. The coastlines, rivers and lakes offer ideal conditions for sport fishing, rafting, kayaking, diving, surfing or just plain fun in the sun. You will find beautiful beaches of white or black sand, valleys, mountains, waterfalls, volcanoes, National Parks and biological reserves, awesome sunrises on the Caribbean and romantic sunsets on the Pacific. In the area around San José there are many theaters with opera, plays, movies (English and Spanish), shopping centers and a varied exciting nightlife, all guaranteeing that Costa Rica can truly offer something for everyone!

IV. MAJOR ELEMENTS

INTRODUCTION (continued)

- Resort and hotel developers such as Marriott, Four Season, Melia and Barcelo have already established themselves in Costa Rica and between them, have eleven hotels open and operating. Hilton, Westin, Rosewood, and many others either are in the planning stages, presently building, or have built mega-developments which include golf courses, hotels, marinas and residential developments, all of which will boost the already rapidly growing tourism and real estate industries. Real estate values are just beginning to experience the inevitable collateral effects of this growth. Specific areas are experiencing rapid appreciation, which will continue to occur, especially along the Pacific Coast. A very opportunistic real estate market exists for those that are able to take advantage of it.
- **Political Stability**
- Costa Rica has enjoyed tremendous political stability for well over a century. Costa Ricans are extremely proud of their strong democratic history. Costa Rica is the shining jewel of Central America and the rest of the world has begun to recognize this fact. It is one of the oldest democratic nations in the western hemisphere. The president can only hold a single term of four years, which has helped protect them from the establishment of rule for lengthy periods by a single entity. Similar to the United States, Costa Rica is governed by an elected Legislative Assembly, and Congress. Voter turnout is high as the Costa Ricans are proud of their democratic process. Historically it has been a two-party system but in recent years, other political parties have established themselves and acquired representation in the legislature and in congress. See <http://www.cinde-org/eng-established.shtml> for further substantiation.



- **Economic Stability**

- In the past, the economy of Costa Rica like most third world countries was based on agriculture. Products such as sugar, coffee, rice, bananas and beef accounted for well over 50% of the country's gross national product. Over the last 15 years the country has worked hard to help stabilize their economy through diversification and they have succeeded. Duty free zones have been established to help create a strong manufacturing industry. Tourism has exploded over the last 10 years and became the number one gross national producer in the country replacing coffee in 1999. See [link] for further substantiation.
- The reinforcement of the political stability and the economic stability of Costa Rica are clearly illustrated through the selection of Costa Rica by INTEL as the location for their largest (and the world's largest) microchip processor plant. INTEL opened their Costa Rican plant in 1998. In 2004, Intel selected their Costa Rican plant for further expansion and investment over two other INTEL plants located around the world. INTEL has invested an additional \$150 million to expand the operations of their Costa Rican plant. Costa Rica has numerous multinational companies operating here and many choose Costa Rica for their Central and South American headquarters, companies such as Motorola, Del Monte, Siemens, Nortel, Dole, Proctor & Gamble, Pfizer and many others. See the following sites for further substantiation and information:
 - <http://www.cinde.org/wmv/CNBCCostaRica5-4-06wmv>
 - <http://www.cinde.org/wmv/Cindewmv> (General Business Video)
 - <http://invest.co.cr/>
 - <http://cinde.org/eng-20anos.shtml>
 - <http://cinde.org/eng-situacionactual.shtml>
 - <http://cinde.org/eng-accesoamercados.shtml>
 - <http://cinde.org/eng-infraestructura.shtml>
 - <http://cinde.org/eng-jocalizacionestrategica.shtml>
 - <http://www.cinde.org/engregimenesdeincentivos.shtml>
 - <http://www.cinde.org/eng:noticias.shtml> (Recent news)
- Real Estate - The Law
- Many foreigners arrive here with many misconceptions not only about the country itself, but about the property laws as well,



- Many changes have taken place over the last few years to help protect property purchasers. Any and all foreigners are able to purchase, own and receive full rights to property in Costa Rica. The Costa Rican Constitution fully protects foreign ownership of property. The ownership of all property is recorded in the public National Registry (Registro Nacional). All annotations, liens, encumbrances and mortgages will be recorded in the National Registry. The National Registry is online and enabling potential purchasers to check the status of any property via the Internet. Lawyers and realtors can easily check the status of a property.
- In addition to having the ability to directly review properties in the National Registry, purchasers of property can also buy Title Guarantee from internationally recognized title insurance companies. The safety and security of purchasing property in Costa Rica is no different than most other countries. All the required mechanisms are in place to make it a safe secure transaction.

The Right Climate for Investment

Titled Property

- In Costa Rica there are two very distinct "kinds" of property. There is "titled" property which one would receive a deed to, as they again would in most other countries. Titled property makes up for approximately 85% of all the property in Costa Rica.

Concession Property

- The remaining 15% is "Concession" property, which is located along the coast and is the area within 200 meters of the median tide level of the ocean, known as the Maritime Zone. There are some exceptions to this whereby the property has actually been titled down to the 50-meter line from median tide. These properties are rare and typically cost significantly more money. Most coastal properties are concession properties. This means the owner has a lease with the Costa Rica government for a specific period of time. The lease periods can range from 20 years to 40 years, and multiple lease terms can be acquired. Typical lease terms are 20 years. Most concession properties have an established zoning plan which will restrict the concession holder to only building what the zoning plan states. So long as the concessionaire pays the annual dues on the concession, and conforms to the zoning plan, the property is secure. The law states that only Costa Rican Nationals can own or lease concessions. This is true. However, Costa Rican corporations (S.A.'s) can possess concessions and foreigners can own Costa Rican corporations. Additionally, corporate shares and books can be held in a Trust. The concession ownership issue is easily and legally solved.



- Located in the tropical latitudes, between the varied biological influences of North and South America, bordered by two oceans, mountainous Costa Rica enjoys an immense diversity of climates, environmental regions and related eco-systems. Costa Rica covers a mere 0.03% of the earth's surface but is endowed with over 5% of the world's flora, fauna and animal life.
- The combining of these natural attributes with the fact that the country is one of the oldest democracies in the Western hemisphere, has no standing army, the second highest literacy rate in the world (per capita), a diverse economy and a people that are genuinely friendly, is the foundation that has made Costa Rica one of the world's "hottest" eco-travel destinations, as well as a sought after retirement haven.
- Over the past ten years, tourism has increased over 675%. In 2004, just over 1.2 million tourists visited the country. Costa Rica is expecting over four million by the end of 2007. In 2002, over \$759 million was invested in the tourism sector, and over \$876 million was invested in 2004; the majority of this investment taking place in Pacific coastal areas. See also:

Larga Scale Resort Development - \$100's of Millions Invested

Los Sueños Marina & Resort

- The first of the large-scale resort community developments to open in Costa Rica is the very successful Los Sueños Marina and Resort. This project consists of one of four Marriott hotels in the country, the Los Sueños Marriott being the largest and first US flagship hotel on the coast of Costa Rica. The resort community also has a championship 18-hole golf course, an international caliber marina, and a variety of condominium projects with prices ranging from \$300,000 to over \$1 million. The developers have invested over \$200 million into this 1,100-acre property. They have generated property sales of over \$80 million in the last four years. Additional sales of just over \$25 million have been achieved since January 1, 2004.



Conchal Resort

- The Conchal Resort was the second resort community to open in Costa Rica. This property has a 400 room Mella Hotel, a beautiful Robert Trent Jones Jr. signature golf course, and they have successfully sold out their third phase of condominiums with prices ranging from \$280,000 to \$650,000. The developers have invested over \$120 million into this 2,100-acre property. They have generated property sales of over \$45 million in the last three years. Conchal Resort has confirmed that Westin Hotels will construct a 200 plus room hotel on their property. (announced 2nd quarter 2004).

Hacienda Pinilla

- Hacienda Pinilla is the largest single development property in Costa Rica with a total land area of just under 6,000 acres. Presently Hacienda Pinilla has a Mike Young golf course, built and open, along with a small 20-room boutique hotel. The developer has installed over 8 miles of roads, and 20 miles of water and electrical lines. Golf course homes and lots sell from \$100,000 to over \$1 million. They are presently working on a new town home project and have developed a master plan in which they wish to sell specific smaller projects to other developers. The developer of Hacienda Pinilla has invested approximately \$65 million into the project.

Península Papagayo Project

- The Four Seasons Resort Hotel chain opened the first five star hotel on the coast of Costa Rica, along with a stunning Arnold Palmer signature golf course, on January 17th, 2004. This is the First Phase of a Three Phase development being built by the Península Papagayo Project. The next two phases will include two more golf courses, two marinas, additional hotels (Ritz Carlton, The Rosewood Group, and the Aman Group have shown interest in Phases II & III), as well as luxury homes and condominiums. Two and three bedroom, 2,400 sq. ft. villas are for sale for \$2.1 to \$2.8 million. The projected budget for all three phases is just under \$400 million. Thus far, the developers have invested over \$110 million into this 2,000-acre project. On a neighboring property both Hilton International and Hilton USA are rumored to be in final negotiations to build hotels at values of over \$65 million each and both with a Jack Nicklaus signature golf course. Greg Norman is under contract to build a signature course adjacent to a possible Sonetsa Hotel site. Costa Rica is "hot" and many profitable real estate investment opportunities will present themselves over the next few years while these large developments build out. As has been proven in other vacation destinations throughout the world, neighboring property values will certainly be influenced by these developments as they mature and build out.



Manuel Antonio/Quepos,

- Historically the Manuel Antonio/Quepos area, which is located in the central Pacific coast area of Costa Rica, has been one of the strongest coastal real estate markets. This area offers one of the country's most popular National Parks, and numerous white sandy beaches. With an abundance of rolling hills the area offers stunning ocean and sunset views, and thick verdant flora and fauna.

Jacó Beach

- The Jacó Beach area has become a "hot" market area over the last five years. This is primarily due to the opening of the Los Sueños Marriott Marina and Golf Resort. A secondary factor is its proximity to San José; being only a two-hour drive with a new road being built that when completed will shorten the drive to one hour.

Papagayo Area

- The Papagayo area has become the "hottest" real estate market in the entire country and will remain so for many years to come as a result of the massive large scale development that will be built out over the next 10 years. The area can be more clearly defined as the Samara/Carillo area south, through the Tamarindo/Flamingo area, to the Playas del Coco/ Playa Hermosa/Playa Panama area to the north. All areas are within two hours of the Liberia airport, with the Ocotol/Coco/Hermosa/Panama areas being the closest residential beach community to the airport, only 20 minutes by car. This specific area has become the most active real estate market in the country over the last two years.

Tambor

- The Tambor beach area of Nicoya Península provides numerous activities and diversions including a Casino at the Barcelo Playa Tambor Hotel, golf, world class sport fishing charters in the Pacific Ocean, scuba diving, mountain biking and horseback riding to name just a few. Tambor has several churches and a health clinic and 40 km away a major hospital in Puntarenas. Playa Tambor is set in a valley of a large peaceful bay, Bahía Belena or whale bay. The beaches are soft sand and the waters shallow, perfect for swimming and enjoying the sensual Pacific Ocean waves. Playa Tambor is surrounded by forested hills, part of a national Costa Rican biological corridor. The Curu Wildlife Reserve provides access to this wonderland of plants and animals, offering five ecological habitats to explore. This is the next growth area of Costa Rica as the popularity of its sheer beauty and laid back life style, make it among the most beautiful and desirable areas in the world.



Baby Boomers, Banks and the Stock Market

- The supply and demand situation is not solely a result of the opening of an International Airport. It is being assisted by the fact that during the next 17 years approximately 75 million North Americans will retire. Florida and Arizona have had their day. Costa Rica is now only a short flight away. Never in the history of the world has a demographic group influenced markets and economies, as have the Baby Boomers. They are now entering the retirement phase of their lives and are actively looking for their piece of Paradise. Many will select Costa Rica.
- The interest rate in banks is low. Long-term deposit, GIC's, and T-Bills offer low rates of return. The stock market though showing strong numbers is not seeing the individual investor purchases as it did a few years ago. Historically as this has happened, investors turn to real estate. Costa Rica is now 2.5 hours from Atlanta, Miami and Houston and has become a viable market for investment in real estate.
- As with most good investments, timing is a key ingredient. The internal and external factors noted above have created a massive growth cycle, which in turn is creating many advantageous opportunities. The timing could not be better to acquire property.
- Owning property in Costa Rica is an excellent way to place money "off shore", and the investment is further enhanced as there are currently low taxes on capital gains in Costa Rica.
- Good real estate purchases are based on three required criteria, location, timing and buy price. Specific locations in Costa Rica offer all three.

Market Areas

- Presently in Costa Rica there are three distinct coastal areas that can be termed as having "hot" real estate markets. They are the Manuel Antonio/Quepos area, the Jaco Beach area, and the Papagayo area. All three areas have over the last few years developed strong real estate markets.



Timing

- The issue of timing is previously mentioned. The following are some of the internal forces that are working to create a very beneficial environment for investment in real estate in the Mid-South Pacific coast region.
- A new road being completed that will reduce driving time from San José to Jacó to around an hour.
- Growth in tourism and air traffic into Costa Rica
- The opening of gated resort communities and investments in the areas
- In addition to having internal forces that are working to help not only stimulate but drive the real estate market, there are external forces as well. They are:
- Projections have over 75 million North Americans retiring over the next 17 years. The sheer numbers are staggering, and in the history of the world never has there been such a concentrated age group that has virtually created, and sustained economies and specific industries. They have been and will continue to help drive the Costa Rican retirement/vacation/investment property industry. Furthermore, Costa Rica is a small country. The simple fact that supply is limited and world demand will be high for many years to come ensures continued growth and appreciation for product offerings and holdings.

LOCATION, TIMING & BUY PRICE

- The past events of 9/11 and the war with Iraq have made north-south travel much more popular. In addition, the political stability of Central America as a whole is making it a more attractive destination and Costa Rica is the shining jewel of the region.
- The stock market is not as popular as it once was and interest rates are low. Historically during such cycles, real estate investment increases. Times have changed and we have a very global marketplace. Costa Rica is close enough to the United States to be a viable real estate market. Presently, over 90% of all coastal real estate sales in Costa Rica are to citizens of the U. S.



IV. Major Elements



Reading
Quest Background Briefing

Reading

Quest Background Briefing

Name:

Date:

Hour/Class:

Blue Zone Background

The following four slides have been embedded into this presentation, and was a study hosted by a website called, "Blue Zones, Quest for the True Fountain of Youth".

www.bluezones.com

MISSION STATEMENT:

Blue Zones™ is an ongoing project that is part of Quest Network, Inc. funded by the National Institute on Aging and National Geographic. Blue Zones studies the world's longest-lived populations around the world for information and lifestyle characteristics that can help people live longer, better lives.

The following link archives a 12 day study in the Nicoya area of Costa Rica, where the subject property is located. This area was also ranked as the 3rd happiest place in the world.

<http://www.bluezones.com/quests/>

Costa Rica

Costa Rica is a small mountainous country nestled in the heart of Central America. It is bordered by the Caribbean Sea to the east and Pacific Ocean to the west, with Nicaragua and Panama forming its northern and southern borders. Rich tropical rainforests blanket Costa Rica's Caribbean coast.

The "Ticos," as Costa Ricans are commonly known, are extremely proud of their country's heritage of democratic government and social equality. Costa Rica has more than one hundred years of democratic tradition and hasn't had a military since 1948. That means more money for free education, affordable health care, low-cost housing, a fair labor climate and care for the environment.



Costa Rica has more than one hundred years of democratic tradition and hasn't had a military since 1948.

Costa Rica has a cultural legacy of hard work, national pride, hospitality, strong family values, and progress. European culture exerts significant influence and is reflected in everything from the official language—Spanish—to the architecture of the country's historic buildings. The indigenous influence is less visible, but can be found in everything from the tortillas that make part of a typical Costa Rican meal, to the handmade ceramics sold at roadside stands.

IV. Major Elements

Family and Tradition

Extended family is the basis of Costa Rican society. Several generations may live under the same roof. Most of Costa Rican social life consists of spending time with relatives including going to church and visiting on Sundays, sharing special occasions and holiday fiestas, going dancing and playing sports together.

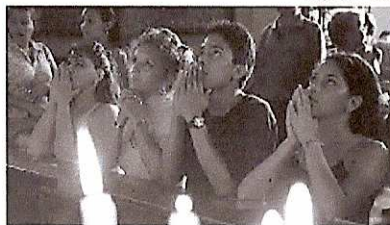
Dating is not common in Costa Rica. In rural areas and among more traditional urban families, girls under 18 still must be chaperoned (accompanied by an adult) at night. If a boy and a girl go on a date even once they are thought to be "novios" (boyfriend and girlfriend) and do not date anyone else.

Foreign visitors have described Costa Ricans as hospitable and gracious. Ticos tend to go out of their way to be courteous and avoid offending others.

Religion and Holidays

More than 75 percent of the population are baptized Roman Catholics. The Costa Rica constitution recognizes Catholicism as the national religion and a Catholic marriage is the only type of religious ceremony the state recognizes as binding. However, Costa Ricans generally do not observe all church rules. That said, most of Costa Rica's fifteen public holidays are religious. Some businesses close for Holy Week, the week before Easter. Christmas Eve (December 24) is celebrated with visiting, drinking, dancing and gift giving as well as midnight Mass.

The most important secular holiday is Independence Day, September 15.



Recreation

Costa Ricans are known for their love of leisure and relaxed lifestyles. Soccer is the national sport—or even national mania—of Costa Rica. Even the smallest village is likely to have at least one team. It is also by far the chief spectator sport. Like soccer, bicycling, boxing and wrestling are also popular and many activities that can be enjoyed outdoors in groups are common such as basketball, tennis, volleyball and swimming. Traditional Latin dancing is also common and includes salsa, cumbia, lambada, and meringue.

Education

Education is highly revered in Costa Rica and has been especially since 1992 when the government declared education to be a fundamental right of every citizen. School is free for grades one through twelve and compulsory between the ages of six and 15.

The government also provides funding to needy students for higher education at public universities where more than 70,000 students are enrolled. In return

for this free education, students at public schools and universities are required to donate time toward community service after they graduate. Citizen support for these education programs is why Costa Rica has one of the highest literacy rates in the Western Hemisphere at 97 percent.



SALES AND MARKETING PLAN

- Our Marketing Plan will implement a diverse range of domestic and local capabilities through leading marketing channels to ensure our Sales and Marketing campaign efficiently reaches key markets and prospective clients. Our strategy is coordinated amongst various consulting firms to create an efficient and pleasurable buying experience.
- The strategy implements the expertise of experienced marketing / brokerage services to promote sales from our target audience. Utilizing high profile marketing expertise offered by companies such as Fortuna House International to reach prospective investors. As the project progresses, the marketing operations will be refined to respond to the reaction from our target markets and promotional activities.
- The In-House marketing strategy will provide a sales platform capable of following up with interested individuals. Interested individuals are persons that have expressed a general interest in real estate acquisition. The In-House sales team will be responsible for qualifying interested individuals into prospective buyers. The qualification process includes prospect's willingness to purchase property in a foreign country and open to doing business over the phone, demonstrate adequate follow through and interest in our real estate program, as well as financial suitability and other requirements. The real estate program is geared toward the convenience of the Western purchaser; our program will include a guided tour of Costa Rica and the areas surrounding the project, an on-site property inspection, and an introduction to our team (administrative team, marketing team, legal team, escrow services, etc.). In order to add comfort to the purchasing process, Stewart Title Costa Rica will provide escrow and title insurance services (such services have been offered to our team at 1% of the purchase price).

TARGET MARKET

- The sales force will target the general North American buyers seeking to purchase luxury second homes. Prospective clients are looking for full range of amenities, direct beach access, tropical allure, entertainment, as well as excellent price appreciation and rental income potential. Due to the high price of coastal areas in the US, investors are seeking affordable alternatives.
- The vacationer arriving in Costa Rica is looking for amenities and access to the beaches, recreational areas, and surrounding eco-tourist attractions. A variety of markets are seeking tropical destinations, from North America to visitors from Europe and Asia as potential markets. Families and eco-tourists have a tendency to stay in a lavish home or condominium set within an eco-area, near the airport and on the beach, within proximity to famous beach destinations and coastal communities.



MARKET STRATEGY

- The various strategies will establish a comprehensive sales and marketing program for the project, as outlined below:
- **"Stair Step" campaign:** the marketing program will take a "stair-step" approach as evidenced by subsequent phases of the sales operation. The program will begin with targeted mass marketing to groups and associations derived from third party lead sources, such as seminars, expos and email campaigns. Pre-construction offerings will be made available via media, realtors and the In-House sales team, followed by a programmed sales channels.
- **Narre Brand:** Through media exposure and various other communications the campaign highlights the name, logo and general concept of lavish luxury, an unbeatable investment, convenient, safety, amenities, sensuality and the tropical life.
- **Targeted Advertising:** The media advertising is intended to generate product awareness within the target market and to generate leads for the company's In-House sales force. The publications will be selected to target high-end purchasers.
- **Demographics:** Sales efforts will target North American prospects, although a marketing campaign will be launched in Europe and Asia directed to the investor and visitor. Our target states in the US are New York, Florida, Texas, California, Oregon, Minnesota, Massachusetts, Arizona, etc. Throughout various surveys, we have concluded that the key markets to reach are coastal areas that have appreciated to the degree that the average investor is no longer able to purchase property on or near the beaches, as well as land locked states that have experienced price appreciation due to location, proximity to bodies of water, and population growth.
- **Pricing:** The Marketing Program offers incentives to purchase pre-infrastructure and pre-construction units at prices below their comparables. Price increases will be in-line with competitive regional market values.



PROMOTIONAL MATERIALS AND ACTIVITIES

- The marketing program will create high impact materials, to include brochures, web-sites, video DVDs, presentation materials, and various other communications avenues to reach prospective buyers. Our strategy includes international media coverage focused on target markets.
- The program will implement a sales force in the capital city of San Jose, constituting our primary offices. All operations will be reviewed and approved by the staff at the primary office in San Jose. The sales staff will be responsible for engaging prospect to provide information and materials.
- The sales team will be anchored to our marketing website, comprised of high impact images, an online video presentation, and general information of the project as well as Costa Rica. The site will provide virtual tours of individual units and various select locations on the property. The site will show case an online video of the construction progress as well. We will feature comprehensive links to our related businesses and alliances, entities such as Stewart Title, travel agencies, aircraft charters, executive services, etc., to include links to broker assistance (i.e. Century 21) and independent sales operations (i.e. Fortuna House International) in order to create a "one-stop-shopping" platform for our prospective clients. The internet marketing campaign will also include lead generating websites and mini-web sites (single-page internet sites) attracting potential clients to inquire for information, therefore increasing the lead base for the In-House marketing program.
- Various effective strategies will be implemented with the purpose of generating leads for pre-qualification. These include Yahoo, pay-per-click, search engine website optimization (Google, Yahoo), e-mail banner campaigns to selected groups seeking information (yahoo marketing and various lead sources: individuals interested in real estate, tropical destinations, luxury resorts, hotels, luxury properties, property in Costa Rica, property in Central America, coastal properties, etc.).
- The strategy to increase exposure in the US markets includes presence in seminars and expos. We will also be collaborating with groups conducting real estate seminars in order to generate leads for the In-House marketing program.
- We are suggesting our celebrity campaign presenting a predominant public figure (such as JOE MONTANA or a Hollywood star) to be an anchor image of the project. This idea is strongly geared toward the North American market, which is our primary target.



- Communication media to be used:
- Movie Theater (such as Imax)
- Newspapers
- Magazines (real estate, airplane, health, business)
- E-mail campaign
- There will be a constant revision of the media effects, in order to take correctiva measures and satisfy our prospective clients.
- **Movie Theater Advertising:** We expect to use the major movie theater chains in the U.S. and Canada.
- **Newspapers:** We will use the international real estate section of the most important newspapers in each target key markets.
- New York Times
- Washington Post
- USA Today
- Miami Herald
- Los Angeles Times
- **Magazine:** We are looking to increase exposure by launching campaigns in leading business, architectural, real estate and health issues such as:
- DuPont Registry
- Architectural Digest
- Men's Health
- Fortuna
- Business Week
- Times Magazine



- **Other Means**

- Website Brochures Credit card mailing lists
- Real Estate Expos Television flashes or commercials • Sales Center
- For local image we will be using the most reputable newspapers and magazines in the Central American area, promoting cultural and sporting events, along with seminars and expos. Nacional and regional publications targeting the US population in Costa Rica and Central America, visitors, local entrepreneurs and executives.



ARQUECO LIMITADA PROFILE COMPANNY

2005

San José Costa Rica



Our Services

- The ARQUECO has specialized areas:
- Master Planning
- Hotel, Resort and Golf Course Design
- Marina Design
- Parks, Botanical Gardens and Associated
- Recreational Design
- Residential and Urbanization Design
- Housing, Condominium and High-rise Design
- Convention and Meeting Centers
- Commercial and Retail Centers - Mixed Use



Master Plans and Infrastructure Projects

- GOLFO DE PAPAGAYO
- Guanacaste, Costa Rica, 1995
- Master Plan for 30,000 rooms. Government of Costa Rica, 1996. ICT
- RANCHO TAMARINDO
- Tamarindo Beach, Costa Rica. 200 rooms include Air Park. Master Plan.
- LOMAS DE CARABA
- Tárcoles, Puntarenas, Costa Rica. Master Plan
- SAN LUCAS ISLAND
- Puntarenas, Costa Rica. 1500 rooms, recreational area, 550 hectares, golf course and marina. Master plan for the government Costa Rica, the ICT and the Minister of-Planning.



- Master Plans and Infrastructure Projects
- COSTA DEL REY
- Golf of Papagayo, Guanacaste, Costa Rica. 2000 rooms, golf course, hotels, time-share, tucan houses, marina. Master plan.
- PUERTO ITURBE
- La Paz, South Baja California, México. 3450 hectares, airport, marina, golf course, 10 Km. of beachfront, 170,000 projected population. Master plan.
- CACIQUE DEL MAR
- Golf of Papagayo, Guanacaste, Costa Rica. 265 hectares, 18 hole golf course, hotels.
- Master plan.
- PORT GUAJINIKUIL
- Guanacaste, Costa Rica. 343 hectares, 18 hole golf course, marina for 300 yachts, hotel sites, condominiums and commercial area.
- MATAPALO
- Guanacaste, Costa Rica. 700 hectares, 18 hole golf course, 2 hotel, site, including a Boutique Hotel operated by 4 Seasons - Condominiums and residential lots. Master plan.
- HERRADURA BEACH
- Garabito, Costa Rica. Urbanization of 80 hectares, Hotel, lots for a residential and condominium development, a marina, all designed and integrated with Ecological preservation as the focus.
- GUACAMAYA
- Carrillo, Santa Cruz, Guanacaste. Costa Rica. 207 hectares, 9 hole golf course, hotels, commercial centers, and lots for condominium and residential areas.



- CATALINA
- Santa Cruz, Guanacaste. Urbanization of 500 hectares that includes several locations for hotels and lots for condominium and residential areas. Master plan.
- TOURIST MARINA– PORT OF LIMON
- Caribbean - Atlantic Coast of Costa Rica. Marina for 500 plus slips and an area for an urban development with, commercial tentar.
- MATINA ISLAND
- Caribbean coast, Costa Rica. Urbanization for an island of 250 hectares that includes airport, marina, 18 hole golf course, condominiums and several locations for resort hotel development.
- LA JOYA DEL PACIFICO
- Guanacaste, Costa Rica. 1350 acres, 18 hole golf course, 1400 mts long airport, and 2 miles of beach, locations for hotels, residential, and 400-slip marina.
- EL RODEO
- 18 miles from San José, Costa Rica. Complete environmental planning of a 3000 hectares partej of jand for the University of the Peace, integrating Primary Forest finto the master development plan.
- VILLAS DEL MAR
- Puntarenas, Costa Rica. 109 hectares located at the entrante to the Port of Puntarenas. Complete with lagoons and Residential lots and hotel sites.
- PLAYA CONCHAL
- Conchal Beach, Guanacaste. Master Environmental Plan for 900 hectares with plans for 2 golf courses in association with Parker & Associates and Wilson & Miller from Florida.
- NIKKEI COUNTRY CLUB (2004)
- Located in San Cayetano near Sagaces. Guanacaste, Costa Rica.
- Residential development project for a projected 30,000 residences for senior living financed with the assistance of a Japanese pension Fund group.
- PUNTA MONTE DEL BARCO (2004)
- Golf of Papagayo, Guanacaste, Costa Rica. , 250 rooms Fractional Design Condo Hotel.
- PRELIMINARY DESIGN
- CONDOMINIUMS RIVERSIDE (2004) ,Escazú, San José, Costa Rica.
- Condominium High-Rise in process.



PROFESSIONAL PROFILE OF THE FIRM



SINCE 1995

- The experience of these professionals includes, among others: the design of tall office buildings, hotels, the design of tourism projects, industrial complexes, telecommunications, hospitals, residences, bridges, structural reinforcement works in buildings, as well as the design of special structures. Enclosed are the curriculum vitae of each of the firm's associated professionals.
- The following list includes the most important Hotel Projects carried out by professionals of GRUPO IECA S.A during recent years:
 - Marriott Courtyard Hotel. Suriname, 2006. Five floors building. 8,000 square meters.
 - Marriott Courtyard Hotel. Salvador, 2005.
 - Five floors building. 8,000 square meters. (Construction Process).
 - Marriott Courtyard Hotel. Trinidad & Tobago, 2004.
 - Design and inspection. Four-story building with 7,000 square meters, US\$6,000,000.
 - Marriott Courtyard Hotel. Dominicas Republic, 2002.
 - Design and inspection. Five-story building with 8,000 square meters, US\$ 6,500,000.
 - Metrocentro Intercontinental Hotel. Managua, Nicaragua, 1999.
 - Hotel with 150 rooms, a basement and nine floors, 14,000 square meters, US \$12,000,000.
 - St Regis Hotel. Coyoil Beach. Herradura, Puntarenas, Costa Rica, 2007. Several buildings. 42,000 square meters.
 - DP-6, Papagayo Hotel. Guanacaste, Costa Rica, 2007. Several buildings. 60,000 square meters. (Design Process).
 - JW Marriott Hotel. Guanacaste, Costa Rica, 2006. Eighteen buildings . 35,000 square meters, and 310 rooms.
 - Intercontinental Hotel. Escazú Costa Rica, 2006. Renovation.
 - SLEEP INN HOTEL. San José, 2004-2005.
 - Design and inspection of a four-story, eighty-room, hotel next to the "Paseo de Las Damas" in San José.
 - Papagayo Occidental Hotel. Guanacaste, 2003. Design of the administration area 9,000 square meters.
 - Four Seasons Hotel. Península of Papagayo, Guanacaste, 2002.
 - Several constructions of different stories, within an area of 50,000 square meters, 180 rooms and Suites, US\$ 60,000,000 (in process of construction).
 - Marriott Courtyard Hotel. Escazú, Costa Rica, 2001.
 - Design and inspection four-story building, with 7,000 square meters, US\$ 6,000,000.
 - Marriott Los Sueños Hotel. Playa Herradura, Puntarenas, 1997.
 - Several constructions, of different stories, with a total area of 26,000 square meters, US \$20,000,000.
 - Marriott Costa Rica Hotel. San Antonio de Belén, Heredia, 1995.
 - Inspection of the construction of the 250 room Hotel, its various buildings of one to seven floors, with frames and walls of reinforced concrete, 26,000 square meters, US \$ 20,000,000.